

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON LONG RANGE PLANNING

Call to Order: By **CHAIRMAN MATT MCCANN**, on March 9, 2001 at 5:15 P.M., in Room 455 Capitol.

ROLL CALL

Members Present:

Rep. Matt McCann, Chairman (D)
Sen. Bob Keenan, Vice Chairman (R)
Sen. Tom A. Beck (R)
Rep. Dave Kasten (R)
Sen. Jon Tester (D)
Rep. Steve Vick (R)

Members Excused: None.

Members Absent: None.

Staff Present: Jane Hamman, OBPP
Andrea Hyatt, Committee Secretary
Brian McCullough, Legislative Branch
Christi Tyson, OBPP

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted:
Executive Action: HB 5; HB 14

CHAIRMAN MCCANN opened the meeting for Executive Action to finish HB 14. **Brian McCullough** provided the committee with a handout of an updated version of the Bonded Program - LRBP, 2002-2003 Biennium. **EXHIBIT(jlh54a01)** He reviewed the updates on the handout. He pointed out the change in the corrections facility. **CHAIRMAN MCCANN** requested that the change in the corrections facility be addressed. **Jane Hamman** provided the background information on how it had been reduced in size and the impact on the debt service. Discussion followed. **Jim Whaley** responded to questions. **REP. KASTEN** questioned some earlier savings in an

amendment. **Brian McCullough** provided a copy of the amendment #1408 and explained the contents and impact. **EXHIBIT(jlh54a02)**

CHAIRMAN MCCANN suggested that in the process there is some support for the reception unit from the Governor's Office and at some point in time it will be included in HB 14. He personally believes that if they are going to address another correctional facility, then we are going to balance the equation by addressing some of the educational requests from across the state of Montana. He created a list of suggested projects that have been reviewed, with the exception of the College of Technology of Helena. This project originally did not go through the planning process; that, at this point in time, it would be best to discuss providing them with planning funds. The list indicates the impact to the general funds from the debt service on those projects. **Brian McCullough** provided a handout entitled "Debt Service Increase Due To Action as of 1\2001 LRP".

EXHIBIT(jlh54a03)

{Tape : 1; Side : A; Approx. Time Counter : 298}

Motion: **SEN. TESTER** moved to bond the MSU-Northern Applied Tech at \$4 million. **SEN. BECK** requested he include the reception unit. **SEN. TESTER** reworded his motion: to bond the Central Reception Unit at \$4-1/2 million; Experimental Stations at \$1 million and MSU-Northern Applied Tech at \$4 million.

{Tape : 1; Side : A; Approx. Time Counter : 313-517}

Motion: **CHAIRMAN MCCANN** repeated the motion: Applied Tech at \$4 million; Reception Unit at \$6-1/2 million and Experiment Stations at \$1 million. **SEN. TESTER** responded in the affirmative. **REP. VICK** stated that in the past they discussed match requirements, is he to understand they are to be the same: \$1 million match required for the Reception Unit of federal money; \$1 million for the Experiment Stations and \$2 million for the Applied Tech. **CHAIRMAN MCCANN** stated that from past discussions that **REP. VICK** is recognizing that they are jumping it up on the Applied Tech to \$2 million and jumping up Corrections \$1-1/2 million dollars. **REP. VICK** stated some of his concerns. **Alex Kampterville, MSU-Northern**, responded. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 3}

SEN. BECK requested that the federal funds be included. **CHAIRMAN MCCANN** questioned for clarity. **SEN. BECK** stated he meant the same as **REP. VICK** said \$2 million on the Havre building (MSU-N

Applied Tech); \$1 million prison (Reception Unit) and \$1 million match for the Experiment Stations. Discussion followed.

Substitute Motion: CHAIRMAN MCCANN offered a substitute motion: \$2 million bonding for MSU-Northern; \$5 million Reception Unit and Experiment Station stays the same at \$1 million.

Substitute Motion/Vote: REP. MCCANN made a substitute motion for \$2 MILLION BONDING FOR MSU-NORTHERN APPLIED TECH; \$5 MILLION RECEPTION UNIT, SAME FOR EXPERIMENT STATIONS AT \$1 MILLION. BE ADOPTED AS AMENDED. Substitute motion carried 4-2 with Beck and Tester voting no.

{Tape : 1; Side : B; Approx. Time Counter : 29 - 123}

CHAIRMAN MCCANN opened discussion on the University of Montana Chemistry renovation request for \$500,000.00 for temporary labs. SEN. TESTER questioned if it was in the proposal. Jane Hamman and Hugh Jesse responded. Discussion followed. CHAIRMAN MCCANN stated he would entertain a motion if the committee wished. No motions were made.

{Tape : 1; Side : B; Approx. Time Counter : 130 - 155}

REP. KASTEN presented an amendment #529 (lower right corner). EXHIBIT(jlh54a04) He stated it would be in HB 5. The purpose of this amendment allows the Historical Society to move ahead with remodeling the STARC armory to the extent possible with these funds subject to the passage of HB 16. See page 3, line 21 and 22 of HB 5. He discussed the details and impact. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 158 - 176}

CHAIRMAN MCCANN explained that within HB 16 there is an initiative for a vote be put out to the people of Montana to increase the tax on lodging and within that they discuss a study for a facility. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 177}

REP. KASTEN had a second amendment to offer; #520. EXHIBIT(jlh54a05) He explained the amendment. The purpose of this amendment is to amend committee action already taken "1" to direct the Montana Historical Society to include the STARC armory building as one of the options to meet their space requirements. Discussion followed.

{Tape : 1; Side : B; Approx. Time Counter : 212-298}

Motion: REP. KASTEN moved his amendment #529. **EXHIBIT 4 SEN. TESTER** questioned the location of the armory and when it would be evacuated. REP. KASTEN responded. **Chuck Swysgood, OBPP Director**, provided background information. Discussion followed.

Motion Withdrawn: REP. KASTEN withdrew his motion on his amendment #529.

{Tape : 1; Side : B; Approx. Time Counter : 298}

REP. KASTEN offered his second amendment #529 to be discussed. He discussed the project and whether this is an appropriate amendment at this time. Discussion followed. **Tom O'Connell** provided background information.

{Tape : 1; Side : B; Approx. Time Counter : 403-519}

Motion: REP. KASTEN offered a conceptual amendment to strike the \$500,000.00; since they will not be building the \$40 million building, then this needs to be struck out.

SEN. BECK questioned the origination of this special revenue account. **CHAIRMAN MCCANN** explained it was within HB 16 where the original proposal was for a \$1 million study which the committee then struck it down to \$500,000.00 and it was an increase to the bed tax. It is a bill that will go out to the public to vote. Discussion followed. **SEN. TESTER** questioned how HB 16 took one cent and applied to debt service. **Jane Hamman** responded that it takes one cent and allows borrowing through the Board of Investments of \$40 million for Cultural Historic Preservation projects statewide. As the bill is drafted now, about 25% of the money goes out in grants to local communities, some of it for the Lewis & Clark Bicentennial, some for the Daly Mansion, some for the Moss Mansion and about \$14 million for Virginia City and Nevada City. **SEN. TESTER** questioned if off of that one cent. **Jane Hamman** responded affirmative. **SEN. TESTER** questioned if the remainder would be used to retire this debt, no. **Jane Hamman** responded that one million out of that was to be used to do this study and to develop the working plans for the museum. **Chuck Swysgood, OBPP Director**, stated that HB 16 increases the bed tax by one cent and the one cent that it generates retires the debt on all these other programs that Jane just discussed. It is used to pay the debt service on the bonds that are used for all these other programs. **SEN. TESTER** questioned but not the \$40 million. **Chuck Swysgood** responded affirmative. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 0}

Motion/Vote: REP. KASTEN moved TO STRIKE \$500,000.00 FROM PG. 1, LINE 29 OF HB 5 BE ADOPTED AS AMENDED. Motion carried unanimously.

CHAIRMAN MCCANN stated that if HB 16 gets through the committee and in to the process, the committee will be receptive to come back and address within HB 5 any sort of study for the future. SEN. BECK questioned why it was in HB 5 and not in HB 16. Jane Hamman responded.

{Tape : 2; Side : A; Approx. Time Counter : 17-77}

Motion: SEN. BECK moved that page 4, lines 4 through 14 in HB 5 to strike them out and put money back in for payment of debt service. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 78-102}

Motion Withdrawn: SEN. BECK withdrew his motion. CHAIRMAN MCCANN stated that SEN. BECK was correct in addressing the \$168,000.00 of debt service. Brian McCullough provided information.

{Tape : 2; Side : A; Approx. Time Counter : 103}

CHAIRMAN MCCANN stated he would entertain a motion to reduce the hazardous material litigation by \$170,000.00; it is currently appropriated \$500,000.00. This way the books will balance.

Motion: SEN. BECK so moved; REP. KASTEN questioned.

{Tape : 2; Side : A; Approx. Time Counter : 109}

Motion/Vote: SEN. BECK moved TO REDUCE THE HAZARDOUS MATERIAL LITIGATION BY \$170,000.00. BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 113}

SEN. TESTER discussed the Helena College of Technology and getting funding for planning and design so they will be prepared for the next legislative session. Tom O'Connell provided background information. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 178}

SEN. BECK suggested taking \$240,000.00 out of hazardous mitigation for the Helena College of Technology. **CHAIRMAN MCCANN** questioned if the committee was comfortable with the numbers; all agreed. The total funding would be \$365,000.00; and it should be called engineering and design. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 203}

Motion: **SEN. BECK** described his motion: no need for \$85,000.00 since it is already in there. Take the \$40,000.00 balance left in the cash account, plus \$240,000.00 out of hazardous mitigation, and creating a total of \$365,000.00. **REP. VICK** called for question. **SEN. BECK** questioned.

{Tape : 2; Side : A; Approx. Time Counter : 217}

Motion/Vote: **SEN. BECK** moved TO TAKE THE \$40,000.00 CASH ACCOUNT BALANCE PLUS THE \$240,000.00 LEFT IN HAZARDOUS WASTE MITIGATION AND GIVE TO THE ENGINEERING AND DESIGN PROJECT FOR THE HELENA COLLEGE OF TECHNOLOGY BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 226-322}

CHAIRMAN MCCANN requested the Department of Military Affairs to come forward to discuss the \$1.8 million bonding restriction to water and sewer for Kalispell. He understands that due to that restriction the Veterans will not be able to share that building; he questioned why that would happen. **Ralph DeCunzo** responded that in their original request to the federal government they had shown the Veterans being funded 100% by the state. **CHAIRMAN MCCANN** stated he had difficulty in separating the Veterans from the military; they seem to be one and the same. It seems, to some degree, they are being penalized because the appropriations are being restricted. He was not aware, from day one, that there was \$100,000.00 that applied directly to the veterans. He always understood that the appropriation was for the water and the sewer, until they started discussing the appropriations. **Ralph DeCunzo** responded. **CHAIRMAN MCCANN** questioned if it would be of assistance if he directed him with some sort of amendment within this appropriation to provide space for the veterans. **Ralph DeCunzo** responded that the current one might be amended to include sewer, water and the ability to construct square footage for the Veteran's Administration. **CHAIRMAN MCCANN** questioned if it would cost another \$100,000.00 within the \$1.8 million. **Ralph DeCunzo** responded.

{Tape : 2; Side : A; Approx. Time Counter : 321}

REP. VICK moved the language. **CHAIRMAN MCCANN** stated the language would state up to \$100,000.00 for the Veteran's. **SEN. TESTER** questioned if \$1.8 million is for sewer and water and why could they not amend to read \$1.7 million for sewer and water and \$100,000.00 for the Veterans. **REP. VICK** responded that the \$100,000.00 is included in the \$1.8 million, he is not adding \$100,000.00. **SEN. BECK** questioned.

{Tape : 2; Side : A; Approx. Time Counter : 337}

Motion/Vote: **REP. VICK** moved TO INCLUDE LANGUAGE THAT WITHIN THE \$1.8 MILLION FOR SEWER AND WATER THAT THERE IS UP TO \$100,000.00 TO BE SPENT ON THE VETERAN'S AFFAIRS OFFICE BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 343}

SEN. BECK moved that within HB 5, page 2, line 29 Law Building Renovation/Expansion, UM-Missoula to give them the spending authority and to include that the University has to pick up all of the O&M. **CHAIRMAN MCCANN** stated he would agree with it on the premise that the Law School has the funds; it could be debated if this is necessary space and although he made the statement earlier that: if we are going to build the building, then we're going to do the maintenance. But he doesn't believe this is necessary classroom and this is the difference between decisions on other projects. **SEN. TESTER** stated he would probably support the motion, but the University isn't going to pick up the O&M, the kids are. **SEN. BECK** made comments. **Jane Hamman** questioned if it is the increased O&M that would be the responsibility of the University. He responded affirmative, that they pick up all of the increased O&M. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 385}

Motion/Vote: **SEN. BECK** moved that WITHIN HB 5, PAGE 2, LINE 29, LAW BUILDING RENOVATION/EXPANSION, UM-MISSOULA BE GIVEN THE SPENDING AUTHORITY AND TO INCLUDE THAT THE UNIVERSITY PICK UP ALL OF THE INCREASED O&M. BE ADOPTED AS AMENDED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 395}

Motion: **REP. KASTEN** moved that within HB 5, page 3, line 1 be struck.

Discussion followed. **SEN. TESTER** stated that since in a previous meeting he made the motion to put it in, he would like to make the

same case he made for it when he made the motion to put it in. You have a premiere journalism school here, he believes that it has some benefits, not only for the University of Montana, but the State and he believes it should be left in and he will vote against it. **REP. VICK** stated since **SEN. TESTER** made his same speech, he would make his same speech. That is, they have a lot of authority at the University of Montana and it would be a big bill to pay and not only do we pay for it, so do the students have to pay for it. Discussion followed.

{Tape : 2; Side : A; Approx. Time Counter : 431-515}

Motion/Vote: **REP. KASTEN** moved **TO STRIKE PAGE 3, LINE 1 BE ADOPTED AS AMENDED**. Motion failed 3-3 with Beck, McCann, Tester voting no.

REP. KASTEN asked if the committee would revisit his earlier motion #1408 **EXHIBIT 2**, regarding the reception center. He moved the amendment. **Brian McCullough** provided some background information on the funding and impact. Discussion followed.

{Tape : 2; Side : B; Approx. Time Counter : 0}

Discussion continued.

{Tape : 2; Side : B; Approx. Time Counter : 10}

Motion/Vote: **REP. KASTEN** moved **TO ADOPT AMENDMENT #1408 BE ADOPTED AS AMENDED**. Motion carried 4-2 with Beck and McCann voting no.

{Tape : 2; Side : B; Approx. Time Counter : 18}

SEN. TESTER stated he would like to have some kind of plan on how the funding would be utilized on the Experiment Stations. **CHAIRMAN MCCANN** stated that his intent is for this bill to be in the Conference Committee and the language for the Experiment Stations should be directed at maintenance; and would **SEN. TESTER** be more specific on his request. **SEN. TESTER** would like to know the kind of maintenance will be performed: add-ons, roof replacement, what will it be spent on and to be specific as necessary, where and how. **CHAIRMAN MCCANN** questioned if this should be put in the bill or how it is handled. **Jane Hamman** responded that the original drafted amendment included a specific dollar amount for each of the stations and there was flexibility within the projects... She suggested that they go back to the original \$4 million plus and ask them for their highest priorities, then we could put in a certain amount for each community in the bill for the \$2 million. **SEN. TESTER** stated that would be acceptable. **Brian McCullough** provided more background information. **SEN. TESTER** stated he would like **Dean**

Quisenberry be brought in to the equation to decide how it should be accomplished. Discussion followed.

{Tape : 2; Side : B; Approx. Time Counter : 57}

CHAIRMAN MCCANN reviewed the committees actions. They have stayed within the Governor's budget with the exception of \$168,000.00 that they have moved around from the Long Range Cash Program. They have expanded the cash program beyond the original intent of the budget. They have done a lot of good things. It has taken a long time to wrestle their way through, but he knows that the University System and the Department of Corrections do not have the dollars they originally requested, but the process is not over yet. It is going to HB 2, it is appropriate they have completed their work. They know where there are some dollars and are reluctant to reach in to the money that exists in HB 11. He believes that the OBPP Director probably has ambitions where those funds need to be directed. He feels good that the committee did not take any additional dollars and put back in to HB 14 or HB 5, and believes they have done good work overall. He is satisfied and knows that this bill will be visited again. He thanked everyone for spending their time on it.

Brian McCullough commented that the University System wanted everyone to know that the authority on the stadium which they were going to revert will not be reverted since they have a need for that authority.

{Tape : 2; Side : B; Approx. Time Counter : 83}

SEN. BECK moved to close HB 5 as do pass as amended.

Motion/Vote: **SEN. BECK** moved **TO CLOSE HB 5 AS AMENDED. BE ADOPTED AS AMENDED. Motion carried 5-1 with Vick voting no.**

{Tape : 2; Side : B; Approx. Time Counter : 89}

SEN. BECK moved to close HB 14 as do pass as amended.

Motion/Vote: **SEN. BECK** moved **TO CLOSE HB 14 AS AMENDED. BE ADOPTED AS AMENDED. Motion carried unanimously.**

The meeting adjourned.

ADJOURNMENT

Adjournment: 6:55 P.M.

REP. MATT MCCANN, Chairman

ANDREA HYATT, Secretary

MM/AH

EXHIBIT (j1h54aad)